

A G E N D A

SOUTH CAROLINA WORKERS' COMPENSATION COMMISSION

1333 Main Street, 5th Floor
Columbia, South Carolina 29201

December 13, 2010 – 10:30 a.m.

Commission Hearing Room A

This meeting agenda was posted prior to the meeting, and proper advance notice was made to all concerned parties in compliance with requirements in the Freedom of Information Act.

BUSINESS MEETING

1. APPROVAL OF AGENDA OF BUSINESS MEETING of December 13, 2010 **CHAIRMAN BECK**
2. APPROVAL OF MINUTES OF BUSINESS MEETING of November 15, 2010 (Tab 1) **CHAIRMAN BECK**

APPROVAL OF MINUTES OF THE CALLED BUSINESS MEETING OF November 16, 2010 (Tab 1)

APPROVAL OF MINUTES OF THE PUBLIC HEARING OF NOVEMBER 29, 2010 (Tab 1)
3. GENERAL ANNOUNCEMENTS **MR. CANNON**
4. APPLICATIONS FOR APPROVAL TO SELF-INSURE (Tab 2) **MR. SMITH**
5. DEPARTMENT DIRECTORS' REPORTS

Administration – Financial Report (Tab 3) **MS. GANTT**
Human Resources (Tab 4) **MS. FLOYD**
Information Services (Tab 5) **MS. HARTMAN**
Insurance & Medical Services (Tab 6) **MR. McCUTCHEON**
Claims (Tab 7) **MR. LINE**
Judicial (Tab 8) **MS. CROCKER**
6. EXECUTIVE DIRECTOR'S REPORT (Tab 9) **MR. CANNON**
7. OLD BUSINESS **CHAIRMAN BECK**
A. Implant Procedures Fee Carve Out (Tab 10) Mr. Cannon
8. NEW BUSINESS **CHAIRMAN BECK**
A. Informal Conference Cost Assessment (Tab 11) Ms. Gantt
9. EXECUTIVE SESSION **CHAIRMAN BECK**
A. Personnel Matter
10. ADJOURNMENT **CHAIRMAN BECK**

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THE
SOUTH CAROLINA WORKERS' COMPENSATION COMMISSION
BUSINESS MEETING

Monday, November 15, 2010

A Business Meeting of the South Carolina Workers' Compensation Commission was held in Hearing Room A of the Workers' Compensation Commission on Monday, November 15, 2010 at 10:30 a.m. The meeting agenda was posted prior to the meeting and proper advance notice was made to all concerned parties in compliance with requirements in the Freedom of Information Act. The following Commissioners were present at the meeting:

T. SCOTT BECK, INTERIM CHAIRMAN
SUSAN S. BARDEN, VICE CHAIR
DAVID W. HUFFSTETLER, COMMISSIONER
G. BRYAN LYNDON, COMMISSIONER
ANDREA C. ROCHE, COMMISSIONER
AVERY B. WILKERSON, JR., COMMISSIONER
DERRICK L. WILLIAMS, COMMISSIONER

Present also were Gary M. Cannon, Executive Director; Greg Line, Claims Director; Al McCutcheon, Director of Insurance and Medical Services; Virginia Crocker, Judicial Department Director; W.C. Smith, Self-Insurance Director; Amanda Underhill, Senior Application Analyst; Betsy Hartman, DSIT; Duane Earles, Project Manager; Keith Roberts, Law Clerk; and Cathy Floyd, Human Resources Manager. Visitors present were Ann Margaret McCraw, Midlands Orthopaedics/SCOA, and Clara Smith, South Carolina Injured Workers' Advocates.

Chairman Beck called the meeting to order at 10:30 a.m.

AGENDA

Commissioner Barden moved that the November 15, 2010 agenda be approved. Commissioner Williams seconded the motion, and the motion was approved.

APPROVAL OF MINUTES - BUSINESS MEETING OF OCTOBER 25, 2010

Commissioner Roche stated she was not present for the entire Business Meeting of October 25, 2010, and the votes taken during that time she did not participate. Commissioner Roche joined the October 25 meeting at approximately 10:55 a.m. Commissioner Roche requested the minutes be amended to reflect her attendance. Commissioner Wilkerson presented a motion to amend the October 25, 2010 minutes to reflect that Commissioner Roche was not present during the entire Business Meeting. Commissioner Williams seconded the motion, and the motion was approved.

Commissioner Barden moved that the minutes of the Business Meeting of October 25, 2010 be approved as amended. Commissioner Williams seconded the motion, and the motion was approved.

GENERAL ANNOUNCEMENTS

Mr. Cannon announced the following:

Framed photographs of former commissioners are now displayed on the walls outside the Hearing Rooms' waiting area.

The next All Employee meeting is scheduled for Thursday, November 18, 2010 at 10:00 a.m.

The annual holiday lunch will be on Tuesday, December 14, 2010.

APPLICATIONS FOR APPROVAL TO SELF-INSURE

Self-insurance applications were presented by W.C. Smith, Self-Insurance Director. Eight (8) prospective members of three (3) funds were presented to the Commission for approval. The applications were:

Palmetto Timber Fund SIF

Celebration Harvesting LLC

J. Taylor Logging

TNT Logging

SC Automobile Dealers Association SIF

Hadwin-White Management Co., LLC

SC Home Builders SIF

Ottonu Construction

Quality One Builders, Inc.

Scruggs Drywall

Unlimited Services Heating & Air, LLC

After examination of the applications, it was determined that each complied with the Commission's requirements and each was recommended for approval. Commissioner Wilkerson made the motion to approve the applications to self-insure and Commissioner Roche seconded the motion. The motion was unanimously approved.

DIVISION DIRECTORS' REPORTS

The Division Directors presented their reports which were also submitted to the Commission in written form.

Administration Department

On behalf of Ms. Gantt, Mr. Cannon presented the financial report for the one-month period ending October 31, 2010. The benchmark for October is 33.33%. The

Commission's revenues are at 40.59% and expenses are at 32%. The Claims Department salaries are at 39% due to a position being reclassified at the beginning of the fiscal year. In-State Subsistence Allowance for the Commissioners is 10% over due to the amount of travel that has occurred.

Human Resources Department

Cathy Floyd introduced part-time employee, Joyce Little. Ms. Little is working in Human Resources updating personnel files to ensure all employee files are in compliance. Ms. Floyd presented the Human Resources activity report for the one month period ending October 31, 2010.

- The Annual Report to the General Assembly on the Status of Equal Employment Opportunity indicates 100% goal attainment for the second consecutive year.
- October was the annual insurance enrollment period for state employees. Of the 53 eligible employees, 22 made changes to their insurance coverage. The number of employees enrolling and re-enrolling in MoneyPlus coverage online will not be available until late November or early December.
- The Employee Advisory Committee began work on updating the Administrative Policy and Procedures Manual.

Information Services

Betsy Hartman presented the Information Services Department's report. She reported that the appeal notices and informal conference notices are in production. Commissioner Roche asked about the status of consent orders. Ms. Hartman stated that the software has been purchased and will help streamline the process for consent orders. She anticipates implementation January 2011.

Insurance & Medical Services

Al McCutcheon presented the Insurance and Medical Services Department's report. He said the upgrade in the Coverage system to the current IAIABC Proof of Coverage 2.1 standard has reduced Coverage fine assessments. Prior to the upgrade one business rule was to assess late fines for renewals and duplicate information which created an average of over \$8,000 in fines waived each month. The upgrade identifies renewal and duplicate transactions, and the current business rule is to not assess fines since there was not a break in coverage, resulting in less than \$2,000 in fines waived each month.

Chairman Beck asked Mr. McCutcheon about the glitch in the computer program he reported last month that reflected Coverage Fines Assessed was down. This month's report indicates the fines are down more than 50%. Mr. McCutcheon responded that it was not so much a glitch in the computer program but the new system. Commissioner Huffstetler said that in the minutes from the last meeting Mr. McCutcheon reported the decrease in fine assessments were down due to a glitch in the computer program and when resolved the fine assessments will appear in that month's report. Mr. McCutcheon said that upon further review the decrease in Coverage Fines Assessed was not a glitch in the computer program, but it is a new business rule. Chairman Beck asked was it not known that the business rule was in effect last month and who established the new business rule. Mr. McCutcheon responded that the business rule came from his office and

that he had discussed it with Mr. Cannon. Mr. McCutcheon said that he thinks the problem is resolved now and expressed appreciation to IT staff for their assistance.

Claims Department

Greg Line presented the Claims Department's report. This was received as information.

Judicial Department

Virginia Crocker presented the Judicial Department's report. Ms. Crocker noted that the number of motions has increased and that she would like to provide suggested amendments to Form 21 and Form 15. She reported that the number of informal conferences remain consistent. On average three staff members travel five days or more per month for informal conferences. Following discussion Chairman Beck requested Ms. Crocker be prepared to discuss options to Form 21 at the next Full Commission meeting.

EXECUTIVE DIRECTOR'S REPORT

Mr. Cannon reported on the following items:

Southeastern Government Fleet Managers Association Award

The Commission was awarded the Best Fleet Safety Program Award for FY 2010 to a Small Agency by the Southeast Government Fleet Managers Association at their annual meeting on October 19, 2010.

Commissioner Wilkerson asked about the use of cell phones in agency vehicles. Mr. Cannon will follow-up.

Joint Other Funds Oversight Committee

The Other Funds Joint Oversight Committee met on October 27, 2010. The Committee was created by the General Assembly in 2009 by Proviso 70.27 of the FY 2010-11 Appropriations Act (H.4657) to review and examine the source of other funds in the State and recommend to the General Assembly the appropriate policy for the receipt, appropriation, expenditure, and reporting of other funds. The Commission's Earmarked Funds fall under the definition of Other Funds being considered by the Joint Committee. The next meeting of the Committee is scheduled for November 30.

eCase Focus Group

The IT staff conducted a focus group for 15 eCase adjusters and other representatives of the insurance carriers on October 28 to obtain feedback on improvements to the system. A focus group for attorneys and paralegals is scheduled for November 19.

Fines and Assessments Aging Report

The attached Fines and Assessments Aging Report reflects the number and amount of fines assessed for the period ending October 31, 2010.

Employee Meetings

The agency All Employee Meeting was held on October 28, 2010.

Four employees participated in the employee focus group with the Executive Director on October 28, 2010.

Executive Staff conducted its biweekly meetings on October 26 and September 9.

Constituent Services/Public Information

Since the last Commission meeting the Executive Director's Office had 137 contacts with various system constituents. They were as follows: 96 telephone communications; 41 electronic contacts with claimants or constituents, state agencies, federal agencies, congressional offices, attorneys, service providers, or business partners; and responded to 2 FOIA requests.

Regulation Change

The Public Hearing to receive comments on the proposed change to Regulation 67-405 is scheduled for November 29 at 10:00 a.m. Written comments have been received from eleven individuals.

SC Workers' Compensation Educational Association Annual Meeting

Three Commissioners, the Judicial Director, and the Executive Director participated in presentations and roundtable discussions at the Injured Workers' Advocates Association meeting November 4-6 in Asheville, North Carolina.

SC Self Insurers Association

The SC Self Insurers Association met in Columbia on November 4. Chairman Beck presented a report on current activities at the Commission. The Director of Self Insurance Division and the Executive Director attended the meeting.

OLD BUSINESS

A. Advisory Committee (MSPM) Recommendation

Chairman Beck recognized Al McCutcheon. Mr. McCutcheon stated at last month's Full Commission meeting he was asked to provide additional information showing the financial impact of each payment method on evaluation and management, radiology, and physical medicine codes and to acquire 2009 utilization data in the analysis including data from AIG, which is now Chartis, and to contact NCCI to see if they can provide utilization data. NCCI has just begun their first medical data collection effort. They are currently collecting data from the third quarter of 2010. Therefore, their data will not be ready for use in preparing the 2011 Medical Services Provider Manual. Mr. McCutcheon presented the updated spreadsheets which included 2009 utilization data from eight of the top ten carrier groups, including AIG/Chartis. The total premium for the eight carrier groups is about 30% of total workers' compensation premium in South Carolina, a change from 14%. The total cost for the top 200 codes is estimated at \$107 million, a change from \$180 million. Mr. McCutcheon said that the updated data has an impact on the calculations. However, on a relative basis comparing one payment method to the next, it will not matter a whole lot. Chairman Beck asked about the addition of the physical medicine, evaluation and

management, and radiology codes to the spreadsheet. Mr. McCutcheon responded that at the previous meeting the Commission asked for all of the large specialty codes to be broken out in the analysis. Surgical codes represented 31.7% of costs; physical medicine (physical therapy and chiropractic) 25%; evaluation and management 21%; and radiology 16%. All other groups of codes are less than 5%.

This was received as information.

NEW BUSINESS

A. Financial Contingency Plan

Mr. Cannon said that at the October 25 Full Commission meeting Commissioner Huffstetler requested a financial contingency plan in preparation of the potential budget reductions. Mr. Cannon presented scenarios and financial projections assuming a mid-year reduction in the Agency's state appropriations during the current fiscal year (FY10-11), reductions in the state appropriations, and elimination of the Commission's authority to collect, retain, and use funds in the Earmarked Funds. The reductions and the expenditures projections are estimates only.

Mr. Cannon stated the following facts about the State Budget: State General Fund appropriations have dropped 25% over the past three years; the long-range growth rate for the State General Fund revenues is 2%, less than expected inflation and population growth; the State Budget list of obligations is at least \$900 million greater than available resources for FY11-12; and the \$900 million shortfall is 17.7% of the FY10-11 appropriations. He said Section 42-3-105 of the SC Code of Laws authorizes the Commission to retain and expend all revenues received as a result of the collections from fines and assessments for violations of the Workers' Compensation Law. The SC General Assembly may approve a Proviso in the State Budget to override the Commission's authority to retain and expend the funds received under Section 42-3-105. The Budget Proviso would pre-empt the statutory authority for one year.

Mr. Cannon said that if the Budget and Control Board imposes a 10% across the board reduction in General Appropriations Budget in January 2011, this will require the Commission to reduce the General Appropriations Budget by \$95,998 for the remainder of the fiscal year. An option would be to utilize Earmarked Fund balance and reduce the expenditures in the General Fund budget by transferring the salaries and benefits expenditures of two (2) positions from the General Fund to the Earmarked Fund for the remainder of the fiscal year. The increase in the Earmarked Fund Budget expenditures will be absorbed by the Earmarked Fund Balance (\$2,860,136). This will increase the Earmarked Fund Annual Budget for FY11-12 by \$191,995.

Scenario 1 – FY 2011-12

The General Assembly reduces the General Appropriations by 20% and approves a proviso in the General Appropriations budget which pre-empts Section 42-3-105. This prohibits the Commission from utilizing the Earmarked Funds fund balance (\$2.8 million) and will require the Commission to operate on an annual budget of appropriations from the General Fund of \$1,382,368 and projected revenues in Earmarked Fund of \$3,158,472 for a total revenue budget of \$4,540,840 or \$497,930 less than FY10-11.

Scenario 2 – FY 2011-12

In the FY 2011-12 State Budget the General Assembly approves \$1,727,960 (\$1,919,955 less 10% mid-year reduction) in General Appropriations and approves a proviso in the FY 2011-12 budget which pre-empts Section 42-3-105 and prohibits the Commission from utilizing the Earmarked Funds fund balance (\$2.8 million). This will require the Commission to operate on an annual revenue stream from the Earmarked Fund of \$3,158,472.

Impact on Services for Scenario 1 and 2

Delay in review and processing of claims filed.
Delay in the review and processing of appeals filed.
Delay in hearings scheduled before single Commissioner.
Increase in the number of days before an Informal Conference is held.
Reduction in the number of case files scanned as electronic images.
Delay in the implementation of the electronic workflow process.

Scenario 3 – FY 2011-12

This may be considered the worst case scenario. In the FY2011-12 General Appropriations Act the General Assembly approves an annual operating budget of \$1,919,955 from General Appropriations for the Commission and approves a proviso which prevents the Commission from utilizing all revenues collected pursuant to Section 42-3-105 including the Earmarked Fund balance of \$2.8 million. Funding the salaries and benefits for seven Commissioners and seven Administrative Assistants totals \$1,455,495, leaving a balance of \$464,420 to fund operations to support the processing of claims, verification of coverage, scheduling hearings, and adjudication of appeals.

Impact on Services

Substantial delay in review and processing of claims filed.
Substantial delay in the review and processing of appeals filed.
Substantial delay in hearings scheduled before single Commissioner.
Substantial increase in the number of days before an Informal Conference is held.
Substantial reduction in the number of case files scanned as electronic images.
Substantial delay in the implementation of the electronic workflow process.

Commissioner Huffstetler said that the concern is the worst case scenario. Following discussion, Mr. Cannon said now is the time to evaluate core functions

in all departments.

B. Implant Fee Schedule Carve Out

Mr. Cannon said that in June 2006 the Commission approved revisions to the hospital payment system adopting a prospective payment system for inpatient and outpatient services. The Commission adopted a fee schedule for maximum allowable payments based upon the average Medicare payment for diagnostic related groups plus 40%. The fee schedule was effective October 1, 2010. The Hospital Advisory Committee recommended charges for implants be separated from the diagnostic related groups and paid separately based on cost. The Commission considered the requests to include an implant fee carve out from the interested parties, however the Commission did not include this recommendation on the fee schedule requiring the implant cost to be included in the calculation of the average Medicare diagnostic related group payment plus 40%. The Commission agreed to revisit the issue at a later date.

Chairman Beck stated two questions: (1) If an Implant Fee Schedule Carve Out advisory/study committee is formed, what would the timeframe be to evaluate the process, and (2) Commissioner Huffstetler raised that the issue was based on previous Commission rulings and is it properly before this Commission?

Chairman Beck requested Mr. Cannon prepare a schedule or a strategy plan to address the implant fee schedule carve out for the December 13 Commission meeting. Commissioner Williams said that a specific time should be set to receive comments and interested parties must be willing to provide whatever information is needed so that the best decision can be made for the system.

Miscellaneous

Chairman Beck expressed appreciation to the Information Technology staff for their service and efforts, and their response to staff needs.

EXECUTIVE SESSION

Commissioner Wilkerson moved to adjourn into Executive Session to discuss a personnel matter. Commissioner Williams seconded the motion. The Commission adjourned into Executive Session at 11:32 a.m.

[EXECUTIVE SESSION]

Commissioner Huffstetler made a motion to arise from Executive Session. Commissioner Williams seconded the motion and the motion was approved. The Commission arose from Executive Session at 11:53 a.m. Upon arising from Executive Session, Chairman Beck stated there was discussion with no action taken. Chairman Beck noted that Commissioner Barden had excused herself and did not return to the meeting following the Executive Session.

ADJOURNMENT

Commissioner Lyndon made the motion to adjourn. Commissioner Williams seconded the motion and the motion was approved.

The November 15, 2010 meeting of the South Carolina Workers' Compensation Commission adjourned at 11:53 a.m.

Reported November 30, 2010

Kim Ballentine, Office of the Executive Director

THE
SOUTH CAROLINA WORKERS' COMPENSATION COMMISSION
SPECIAL BUSINESS MEETING

Tuesday, November 16, 2010

A Special Business Meeting of the South Carolina Workers' Compensation Commission was held in Hearing Room A of the Workers' Compensation Commission on Tuesday, November 16, 2010 at 4:30 p.m. The meeting agenda was posted prior to the meeting and proper advance notice was made to all concerned parties in compliance with requirements in the Freedom of Information Act. The following Commissioners were present at the meeting:

T. SCOTT BECK, INTERIM CHAIRMAN
SUSAN S. BARDEN, VICE CHAIR
DAVID W. HUFFSTETLER, COMMISSIONER
G. BRYAN LYNDON, COMMISSIONER
ANDREA C. ROCHE, COMMISSIONER
AVERY B. WILKERSON, JR., COMMISSIONER
DERRICK L. WILLIAMS, COMMISSIONER

Present also were Gary M. Cannon, Executive Director; Virginia Crocker, Judicial Department Director; and Amanda Underhill, Senior Application Analyst.

Chairman Beck called the meeting to order at 4:40 p.m.

AGENDA

Commissioner Roche moved that the November 16, 2010 agenda be approved. Commissioner Williams seconded the motion and the motion was approved.

EXECUTIVE SESSION

Commissioner Barden moved to adjourn into Executive Session to discuss legal matter. Commissioner Williams seconded the motion. The Commission adjourned into Executive Session at 4:41 p.m.

[EXECUTIVE SESSION]

Commissioner Huffstetler made a motion to arise from Executive Session. Commissioner Roche seconded the motion and the motion was approved. The Commission arose from Executive Session at 4:55 p.m. Upon arising from Executive Session, Chairman Beck stated there was discussion with no action taken.

ADJOURNMENT

Commissioner Williams made the motion to adjourn. Commissioner Lyndon seconded the motion, and the motion was approved.

The November 16, 2010 special meeting of the South Carolina Workers' Compensation Commission adjourned at 4:55 p.m.

Reported November 17, 2010
Kim Ballentine, Assistant to the Executive Director

THE
SOUTH CAROLINA WORKERS' COMPENSATION COMMISSION
PUBLIC HEARING

Monday, November 29, 2010

The South Carolina Workers' Compensation Commission held a Public Hearing in Hearing Room A of the Workers' Compensation Commission on Monday, November 29, 2010 at 10:00 a.m. The meeting agenda was posted prior to the meeting and proper advance notice was made to all concerned parties in compliance with requirements in the Freedom of Information Act. The following Commissioners were present at the meeting:

T. SCOTT BECK, INTERIM CHAIRMAN
SUSAN S. BARDEN, VICE CHAIR
DAVID W. HUFFSTETLER, COMMISSIONER
AVERY B. WILKERSON, JR., COMMISSIONER

Present also were Gary M. Cannon, Executive Director; Virginia Crocker, Judicial Department Director; Garry Smith, Compliance Director, and Al McCutcheon, Director of Insurance and Medical Services. Visitors present were: Robert Herlong and Don Daniel, FCCI; Frank Knapp, President and CEO, SC Small Business Chamber; and Tim Killen, SCWCUEF.

Chairman Beck called the meeting to order at 10:07 a.m.

AGENDA

Commissioner Wilkerson moved that the November 29, 2010 agenda be approved. Commissioner Barden seconded the motion and the motion was approved.

PROPOSED CHANGE TO REGULATION 67-405C(1)

Chairman Beck said that a copy of the transcript from the Public Hearing will be provided to all Commissioners.

Gary Cannon, Executive Director, gave an overview on the proposed change to Regulation 67-405(C)1.

Testimony was presented by three individuals, one proponent and two opponents.

ADJOURNMENT

Commissioner Wilkerson made the motion to adjourn. Commissioner Huffstetler seconded the motion, and the motion was approved.

The November 29, 2010 Public Hearing of the South Carolina Workers' Compensation Commission adjourned at 10:42 a.m.

Reported November 30, 2010
Kim Ballentine, Assistant to the Executive Director

INTEROFFICE MEMORANDUM

TO: GARY CANNON, EXECUTIVE DIRECTOR
FROM: DIANA GANTT, DIRECTOR OF ADMINISTRATION
SUBJECT: FINANCIAL REPORT PERIOD ENDING NOVEMBER 30, 2010
DATE: 12/7/2010

The finance report for the one month period ending November 30, 2010, is attached.

- November is the 5th Fiscal Month of FY11.
- There were 61 payments made to vendors, travelers, and other State Agencies.
- The benchmark for November is 41.67%. The Commission's revenues are at 48.15% and expenses are at 37.7%.
- The following is a list of categories that fall above the benchmark and the reasons why:
General Funds: *Claims* has a 49% benchmark in Salaries due to a position being reclassified at the beginning of the fiscal year. This also affects the Employer Contributions which is up by 1.33%.

Earmark Fund:

Commissioners –

- **Print/Bind/Advertisement, Copying Equipment, Rent-other (PO Box), Insurance-State, and Fees & Fines** all have a higher benchmark due to onetime payments that have already been paid for the year.
- **Maint/Janitorial Supplies** are up due to the number of supplies (paper towels/shredder bags) purchased for the agency.
- **In-State – Subsistence Allowance** is 4.33% over due to the amount of travel that has taken place.

Administration –

- **Salaries for Temporary Employees** are 37.33% over the benchmark due to an employee being hired at the beginning of the fiscal year.
- **Terminal Leave** is high due to a terminated employee leave payout.
- **Office Equipment Service, Audit Acct Finance, Other Contractual Services, Rent-other (PO Box) Insurance- State, and Dues & Membership** all have a higher benchmark due to onetime payments that have already been paid for the year.
- **Attorney Fees** are up 3.33% due to the amount paid out for attorneys.
- **Catered Meals** are up due to the cost of providing meals for TPA and Attorney Focus Group meetings.
- **Maint/Janitorial Supplies** are up due to the number of supplies (paper towels/shredder bags) purchased for the agency.
- **Gasoline/Motor Vehicle Supply** is up due to a one time supply item purchased for the van.
- **Equipment Data Processing** is high due to the one time purchase of computers.

Claims –

- **Temporary Positions** are 50.33% over the benchmark due to the number of hours the temporary employee is working. This position is due to end in December.
- **Terminal Leave** is high due to a terminated employee leave payout.
- **Office Equipment Services, Print/Bind/Adv, Rent-other (PO Box), and Insurance-State** are higher due to onetime payments that have already been paid for the year.
- **Temporary Services** are up 43.33% due to payments being made to Tempo for an employee in the file room.
- **Office Supplies, Copying Equipment, Data Processing Supplies, Maint/Janitorial Supplies and Postage** all fall over the benchmark due to the amount of items that has been purchased.
- **In-state travel for Meals and Lodging** are high due to employee travel for Informal Conferences.

Insurance & Medical –

- **Temporary Employees** are up due the amount paid to employees, however there is only one temporary employee being funded at this time.
- **Data Processing Services, Rent –other (PO Box), and Insurance-State** are up to onetime payments that have already been paid for the year.
- **Copying Equipment and Maint/Janitorial Supplies** fall over the benchmark due to the amount of items that has been purchased.
- **Rental-Cont Rent** is up 1.33% due to the number of copies made on copier.
- **Other Professional Services** are up slightly due to the number of investigation companies that have been paid.

- **Sales Tax Paid** has a very high benchmark due to the number of Medical Services Provider Manuals sold.
- **Travel** is substantially over due to employee travel for Informal Conferences.

Judicial –

- **Print/Bind/Advertisement, Rent–other (PO Box), and Insurance-State** have high benchmark due to onetime payments that have already been paid for the year.
- **Copying Equipment Supplies and Maintenance/Janitorial Supplies** are up due to the amounts that have been purchased.
- **Travel** is up 63.33% in **Reportable Meals** and 19.33% in **In-State – Mileage** due to employee travel for Informal Conferences and Mediation.

Activity Report from the Procurement Office:

SCEIS Shopping Carts	0	Staples Orders Placed	5
Vendors Contacted for Price Quotes	10	State Leased Vehicles taken for Service	2
Visa Procurement Card Orders Placed	5	State Reports filed by Procurement Officer	1
SC Dept of Corrections Orders Placed	0		

Mail Room Activity:

Files Copied for Outside Parties	291
See attached Mail Summary	

South Carolina Workers' Compensation Commission
Summary of Revenues and Expenditures
2010 - 2011 Budget
November 30, 2010

	Budget	FY To Date	Benchmark	41.67%
STATE APPROPRIATIONS				
General Appropriation	\$ 1,919,955	\$ 799,981		41.67%

Account Description	Appropriation	Expenditure	Balance	% Expended
Personal Services	\$ 1,471,636	\$ 615,503	\$ 856,133	41.8%
Other Operating Expenses	-	-	-	0.0%
Employer Contribution	448,319	194,237	254,082	43.3%
Total	\$ 1,919,955	\$ 809,740	\$ 1,110,215	42.2%

OTHER APPROPRIATIONS

	Budgeted Revenues	Received thru 11/30/10	% Received
EARMARKED			
Training Conference Registration Fee	\$ 1,000	\$ 2,430	243.00%
Sale of Publication and Brochures	8,000	14,250	178.13%
Workers' Comp Award Review Fee	75,000	30,450	40.60%
Sale of Photocopies	95,000	40,269	42.39%
Workers' Compensation Filing Violation Fee	1,891,000	961,366	50.84%
Sale of Listings and Labels	30,000	24,219	80.73%
Workers' Comp Hearing Fee	600,000	226,980	37.83%
Earmarked Funds - Original Authorization	\$ 2,700,000	\$ 1,299,963	48.15%
BD100 to Increase Authorization - July 2010	356,315		
BD100 to Increase Authorization - July 2010 (PC's)	62,500		
Total Earmarked Revenues + Fund Balance	\$ 3,118,815		

Account Description	Appropriation	Expenditure	Balance	% Expended
Personal Services	\$ 1,249,153	\$ 518,219	\$ 730,934	41.5%
Taxable Subsistence	80,000	27,287	52,713	34.1%
Other Operating Expenses	1,414,662	485,928	928,734	34.3%
Employer Contribution	375,000	183,370	191,630	48.9%
Total Earmarked	\$ 3,118,815	\$ 1,214,804	\$ 1,904,011	39.0%

COMPUTER FUNDS CARRIED FORWARD

Computer Services - Carry forward	\$ 54,761	\$ 1,580	\$ 53,181	2.9%
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TOTAL OTHER APPROPRIATIONS	\$ 3,228,337	\$ 1,216,384	\$ 1,957,192	37.7%
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South Carolina Workers' Compensation Commission
2010 - 2011 Budget
November 30, 2010

Consolidated

	Original Budget	Budget Amendments	Amended Budget	Year-To-Date : 41.67%				
				Expended November	Year to Date	%	Encumb	Balance
Commissioners								
Salaries	\$ 1,150,244	\$ -	\$ 1,150,244	\$ 91,896	\$ 473,222	41%	\$ -	\$ 677,022
Other Operating Expenditures								
Total Contractual Services	247,935	-	247,935	13,418	65,936	27%	-	181,999
Total Supplies & Materials	36,313	-	36,313	1,718	7,656	21%	-	28,657
Total Fixed Charges	159,652	-	159,652	11,367	60,753	38%	-	98,899
Total Travel	87,650	-	87,650	5,804	30,634	35%	-	57,016
Total Other Operating Exp	531,550	-	531,550	32,306	164,979	31%	-	366,571
Total Commissioners	\$ 1,681,794	\$ -	\$ 1,681,794	\$ 124,202	\$ 638,201	38%	\$ -	\$ 1,043,593
Administration								
Salaries	\$ 444,858	\$ -	\$ 444,858	\$ 37,262	\$ 187,671	42%	\$ -	\$ 257,187
Other Operating Expenditures								
Total Contractual Services	254,874	(5,000)	249,874	22,450	67,016	27%	-	182,858
Total Supplies & Materials	26,038	4,900	30,938	1,547	8,119	26%	-	22,819
Total Fixed Charges	135,600	100	135,700	11,740	51,139	38%	-	84,561
Total Travel	12,521	-	12,521	984	3,693	29%	-	8,828
Total Equipment	35,000	-	35,000	690	25,805	74%	4,360	4,835
Total Other Operating Exp	464,033	-	464,033	37,412	155,772	34%	4,360	303,901
Total Administration	\$ 908,891	\$ -	\$ 908,891	\$ 74,674	\$ 343,443	38%	\$ 4,360	\$ 561,088
Claims								
Salaries	\$ 361,417	\$ -	\$ 361,417	\$ 28,956	\$ 149,284	41%	\$ -	\$ 212,133
Other Operating Expenditures								
Total Contractual Services	47,405	-	47,405	4,321	22,179	47%	-	25,226
Total Supplies & Materials	22,138	-	22,138	2,552	12,870	58%	-	9,268
Total Fixed Charges	78,689	-	78,689	5,697	29,592	38%	-	49,097
Total Travel	1,750	-	1,750	217	958	55%	-	792
Total Other Operating Exp	149,982	-	149,982	12,787	65,599	44%	-	84,383
Total Claims	\$ 511,399	\$ -	\$ 511,399	\$ 41,743	\$ 214,883	42%	\$ -	\$ 296,516
Insurance and Medical Services								
Salaries	\$ 460,408	\$ -	\$ 460,408	\$ 38,138	\$ 191,425	42%	\$ -	\$ 268,983
Other Operating Expenditures								
Total Contractual Services	37,701	-	37,701	3,836	19,101	51%	-	18,600
Total Supplies & Materials	33,500	-	33,500	1,739	6,470	19%	-	27,030
Total Fixed Charges	62,220	-	62,220	4,322	23,684	38%	-	38,536
Total Travel	258	-	258	195	626	243%	-	(368)
Total Other Operating Exp	133,679	-	133,679	10,092	49,881	37%	-	83,798
Total Insurance and Medical Services	\$ 594,087	\$ -	\$ 594,087	\$ 48,230	\$ 241,306	41%	\$ -	\$ 352,781
Judicial								
Salaries	\$ 383,862	\$ -	\$ 383,862	\$ 31,813	\$ 159,407	42%	\$ -	\$ 224,455
Other Operating Expenditures								
Total Contractual Services	43,078	-	43,078	2,391	10,761	25%	-	32,317
Total Supplies & Materials	22,024	-	22,024	1,660	6,977	32%	-	15,047
Total Fixed Charges	66,966	-	66,966	4,925	26,091	39%	-	40,875
Total Travel	3,350	-	3,350	114	1,508	45%	-	1,842
Total Other Operating Exp	135,418	-	135,418	9,090	45,337	33%	-	90,081
Total Judicial	\$ 519,280	\$ -	\$ 519,280	\$ 40,903	\$ 204,744	39%	\$ -	\$ 314,536
Totals By Departments								
Department Totals								
Commissioners	\$ 1,681,794	\$ -	\$ 1,681,794	\$ 124,202	\$ 638,201	38%	\$ -	\$ 1,043,593
Administration	908,891	-	908,891	74,674	343,443	38%	4,360	561,088
Claims	511,399	-	511,399	41,743	214,883	42%	-	296,516
Insurance & Medical	594,087	-	594,087	48,230	241,306	41%	-	352,781
Judicial	519,280	-	519,280	40,903	204,744	39%	-	314,536
Total Departmental Expend	\$ 4,215,451	\$ -	\$ 4,215,451	\$ 329,752	\$ 1,642,577	39%	\$ 4,360	\$ 2,568,514
Employer Contributions	823,319	-	823,319	64,999	377,607	46%	-	445,712
Total General & Earmarked Funds	\$ 5,038,770	\$ -	\$ 5,038,770	\$ 394,751	\$ 2,020,184	40%	\$ 4,360	\$ 3,014,226

South Carolina Workers' Compensation Commission
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General Appropriation

	Year-To-Date : 41.67%							
	Original Budget	Budget Amendments	Amended Budget	Expended November	Year to Date to Date	%	Encumb	Balance
Commissioners								
Salaries								
Chairman	\$ 115,567	\$ -	\$ 115,567	\$ 9,231	\$ 46,517	40%	\$ -	\$ 69,050
Commissioner	664,602	-	664,602	55,783	278,554	42%	-	386,048
Classified Employees	290,075	-	290,075	24,173	120,864	42%	-	169,211
Total Commissioners	1,070,244	-	1,070,244	89,187	445,935	42%	-	624,309
Administration								
Salaries								
Director	\$ 94,152	\$ -	\$ 94,152	\$ 7,846	\$ 39,230	42%	\$ -	\$ 54,922
Classified Positions	132,206	-	132,206	11,449	53,505	40%	-	78,701
Total Administration	226,358	-	226,358	19,295	92,735	41%	-	133,623
Claims								
Salaries								
Classified Positions	\$ 55,417	\$ -	\$ 55,417	\$ 5,583	\$ 26,951	49%	\$ -	\$ 28,466
Total Claims	55,417	-	55,417	5,583	26,951	49%	-	28,466
Insurance and Medical Services								
Salaries								
Classified Positions	\$ 57,755	\$ -	\$ 57,755	\$ 4,821	\$ 24,106	42%	\$ -	\$ 33,649
Total Ins and Medical Svcs	57,755	-	57,755	4,821	24,106	42%	-	33,649
Judicial								
Salaries								
Classified Positions	\$ 61,862	\$ -	\$ 61,862	\$ 5,048	\$ 25,776	42%	\$ -	\$ 36,086
Total Judicial	61,862	-	61,862	5,048	25,776	42%	-	36,086
General Funds								
Department Totals								
Commissioners	\$ 1,070,244	\$ -	\$ 1,070,244	\$ 89,187	\$ 445,935	42%	\$ -	\$ 624,309
Administration	226,358	-	226,358	19,295	92,735	41%	-	133,623
Claims	55,417	-	55,417	5,583	26,951	49%	-	28,466
Insurance & Medical	57,755	-	57,755	4,821	24,106	42%	-	33,649
Judicial	61,862	-	61,862	5,048	25,776	42%	-	36,086
Total Departmental Expend	\$ 1,471,636	\$ -	\$ 1,471,636	\$ 123,934	\$ 615,503	42%	\$ -	\$ 856,133
Employer Contributions	448,319	-	448,319	33,963	194,237	43%	-	254,082
Total General Fund Appropriations	\$ 1,919,955	\$ -	\$ 1,919,955	\$ 157,896	\$ 809,740	42%	\$ -	\$ 1,110,215

South Carolina Workers' Compensation Commission

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Earmarked Funds

	Year-To-Date : 41.67%							
	Original Budget	Budget Amendments	Amended Budget	Expended November	Year to Date	%	Encumb	Balance
Commissioners								
Salaries								
Taxable Subsistence	\$ 80,000	\$ -	\$ 80,000	\$ 2,709	\$ 27,287	34%	\$ -	\$ 52,713
Total Salaries	80,000	-	80,000	2,709	27,287	34%	-	52,713
Other Operating Expenditures								
Contractual Services								
Office Equipment Service	700	-	700	-	-	0%	-	700
Copying Equipment Service	200	-	200	-	-	0%	-	200
Print/Bind/Advertisement	510	-	510	-	510	100%	-	-
Print Pub Annual Reports	28	-	28	-	-	0%	-	28
Data Processing Services	68,535	-	68,535	2,162	11,340	17%	-	57,195
Freight Express Delivery	490	-	490	-	-	0%	-	490
Telephone	4,500	-	4,500	431	1,725	38%	-	2,775
Cellular Phone Service	12,000	-	12,000	785	3,139	26%	-	8,861
Legal Services/Attorney Fees	160,000	-	160,000	9,945	49,000	31%	-	111,000
Other Professional Services	972	-	972	96	222	23%	-	750
Total Contractual Services	247,935	-	247,935	13,418	65,936	27%	-	181,999
Supplies & Materials								
Office Supplies	8,500	-	8,500	415	1,141	13%	-	7,359
Copying Equipment	2,714	-	2,714	447	1,559	57%	-	1,155
Printing	1,750	-	1,750	20	66	4%	-	1,684
Data Processing Supplies	649	-	649	-	-	0%	-	649
Postage	21,500	-	21,500	780	4,780	22%	-	16,720
Communication Supplies	50	-	50	-	-	0%	-	50
Maint/Janitorial Supplies	75	-	75	55	110	147%	-	(35)
Gasoline	100	-	100	-	-	0%	-	100
Other Supplies	975	-	975	-	-	0%	-	975
Total Supplies & Materials	36,313	-	36,313	1,718	7,656	21%	-	28,657
Fixed Charges								
Rental-Cont Rent Payment	4,800	-	4,800	248	1,262	26%	-	3,538
Rent-Non State Owned Property	149,750	-	149,750	11,119	55,597	37%	-	94,153
Rent-Other	250	-	250	-	212	85%	-	38
Insurance-State	3,633	-	3,633	-	3,633	100%	-	-
Insurance-Non State	169	-	169	-	-	0%	-	169
Fees & Fines	50	-	50	-	50	100%	-	-
Equipment Maintenance	1,000	-	1,000	-	-	0%	-	1,000
Total Fixed Charges	159,652	-	159,652	11,367	60,753	38%	-	98,899
Travel (Includes Leased Car)								
In State - Meals (Non-Reportable)	650	-	650	83	204	31%	-	446
In State - Auto Mileage	10,000	-	10,000	454	3,749	37%	-	6,251
In State - Subsistence Allowance	25,000	-	25,000	680	11,392	46%	-	13,608
Out State - Meals	500	-	500	18	34	7%	-	466
Out State - Auto Mileage	1,500	-	1,500	149	316	21%	-	1,184
Leased Car	50,000	-	50,000	4,420	14,939	30%	-	35,061
Total Travel	87,650	-	87,650	5,804	30,634	35%	-	57,016
Total Other Operating Expenditures	531,550	-	531,550	32,306	164,979	31%	-	366,571
Total Commissioners	\$ 611,550	\$ -	\$ 611,550	\$ 35,015	\$ 192,266	31%	\$ -	\$ 419,284

South Carolina Workers' Compensation Commission
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November 30, 2010

Earmarked Funds

	Year-To-Date : 41.67%							
	Original Budget	Budget Amendments	Amended Budget	Expended November	Year to Date	%	Encumb	Balance
Administration								
Salaries								
Classified Positions	\$ 214,000	\$ -	\$ 214,000	\$ 17,509	\$ 91,339	43%	\$ -	\$ 122,661
Temporary Employees	3,500	-	3,500	458	2,762	79%	-	738
Terminal Leave	1,000	-	1,000	-	835	84%	-	165
Total Salaries	218,500	-	218,500	17,967	94,936	43%	-	123,564
Other Operating Expenditures								
Contractual Services								
Office Equipment Service	4,904	-	4,904	-	3,613	74%	-	1,291
Copying Equipment Service	2,000	-	2,000	-	-	0%	-	2,000
Print/Bind/Advertisement	4,650	-	4,650	-	404	9%	-	4,246
Print Pub Annual Reports	22	-	22	-	-	0%	-	22
Data Processing Services	181,658	-	181,658	16,619	43,641	24%	-	138,017
Freight Express Delivery	15,500	(5,000)	10,500	5	165	2%	-	10,335
Telephone	4,493	-	4,493	520	1,661	37%	-	2,832
Cellular Phone Service	1,925	-	1,925	150	593	31%	-	1,332
Education & Training Services	1,000	-	1,000	-	-	0%	-	1,000
Attorney Fees	34,947	-	34,947	4,909	15,733	45%	-	19,214
General Repair	230	-	230	-	-	0%	-	230
Audit Acct Finance	100	-	100	-	100	100%	-	-
Catered Meals	1,000	-	1,000	247	611	61%	-	389
Other Professional Services	2,000	-	2,000	-	50	3%	-	1,950
Other Contractual Services	445	-	445	-	445	100%	-	-
Total Contractual Services	254,874	(5,000)	249,874	22,450	67,016	27%	-	182,858
Supplies & Materials								
Office Supplies	9,743	-	9,743	477	2,444	25%	-	7,299
Subscriptions	175	-	175	-	-	0%	-	175
Copying Equipment Supplies	3,934	-	3,934	354	1,354	34%	-	2,580
Printing	1,964	-	1,964	16	104	5%	-	1,860
Data Processing Supplies	2,075	-	2,075	-	127	6%	-	1,948
Postage	7,100	4,150	11,250	656	3,696	33%	-	7,554
Maint/Janitorial Supplies	98	-	98	43	87	89%	-	11
Fees & Fines	174	750	924	-	275	30%	-	649
Gasoline/ Motor Vehicle Supply	36	-	36	-	33	92%	-	3
Promotional Supplies	75	-	75	-	-	0%	-	75
Employee Recog Award	564	-	564	-	-	0%	-	564
Other Supplies	100	-	100	-	-	0%	-	100
Total Supplies & Materials	26,038	4,900	30,938	1,547	8,119	26%	-	22,819
Fixed Charges								
Rental-Cont Rent Payment	5,979	-	5,979	293	1,284	21%	-	4,695
Rent-Non State Owned Property	107,101	-	107,101	7,195	35,975	34%	-	71,126
Rent-Other	225	1,500	1,725	322	830	48%	-	895
Insurance-State	7,490	(1,400)	6,090	-	6,090	100%	-	-
Insurance-Non State	134	-	134	-	-	0%	-	134
Dues and Memberships	3,985	-	3,985	3,000	3,000	75%	-	985
Equipment Maintenance	1,000	-	1,000	-	-	0%	-	1,000
Sales Tax Paid	9,686	-	9,686	930	3,960	41%	-	5,726
Total Fixed Charges	135,600	100	135,700	11,740	51,139	38%	-	84,561
Travel (Includes Leased Car)								
In State - Meals Non-Reportable	21	-	21	-	-	0%	-	21
In State - Registration Fees	-	-	-	-	-	0%	-	-
Leased Car	12,500	-	12,500	984	3,693	30%	-	8,807
Total Travel	12,521	-	12,521	984	3,693	29%	-	8,828
Equipment								
Equipment Data Processing- PC's	35,000	-	35,000	690	25,805	74%	4,360	4,835
Total Equipment	35,000	-	35,000	690	25,805	74%	4,360	4,835
Total Other Operating Expenditures	464,033	-	464,033	37,412	155,772	34%	4,360	303,901
Total Administration	\$ 682,533	\$ -	\$ 682,533	\$ 55,379	\$ 250,708	37%	\$ 4,360	\$ 427,465

South Carolina Workers' Compensation Commission

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November 30, 2010

Earmarked Funds

	Year-To-Date : 41.67%							
	Original Budget	Budget Amendments	Amended Budget	Expended November	Year to Date	%	Encumb	Balance
Claims								
Salaries								
Classified Positions	\$ 301,000	\$ (6,000)	\$ 295,000	\$ 22,370	\$ 112,770	38%	\$ -	\$ 182,230
Temporary Positions	4,000	3,000	7,000	1,002	6,471	92%	-	529
Terminial Leave	1,000	3,000	4,000	-	3,092	77%	-	908
Total Salaries	306,000	-	306,000	23,373	122,333	40%	-	183,667
Other Operating Expenditures								
Contractual Services								
Office Equipment Services	200	-	200	-	90	45%	-	110
Print / Bind / Adv	750	-	750	-	404	54%	-	346
Print Pub Annual Reports	22	-	22	-	-	0%	-	22
Data Processing Services	26,933	-	26,933	1,789	9,434	35%	-	17,499
Freight Express Delivery	500	-	500	-	-	0%	-	500
Telephone	3,000	-	3,000	223	1,143	38%	-	1,857
Temporary Services	13,000	-	13,000	2,219	11,018	85%	-	1,982
Other Professional Services	3,000	-	3,000	90	90	3%	-	2,910
Total Contractual Services	47,405	-	47,405	4,321	22,179	47%	-	25,226
Supplies & Materials								
Office Supplies	3,913	-	3,913	389	4,489	115%	-	(576)
Copying Equipment	2,000	-	2,000	354	1,168	58%	-	832
Printing	2,000	-	2,000	16	53	3%	-	1,947
Data Processing Supplies	75	-	75	-	53	71%	-	22
Postage	14,000	-	14,000	1,750	7,020	50%	-	6,980
Maint/Janitorial Supplies	50	-	50	43	87	174%	-	(37)
Other Supplies	100	-	100	-	-	0%	-	100
Total Supplies & Materials	22,138	-	22,138	2,552	12,870	58%	-	9,268
Fixed Charges								
Rental-Cont Rent Payment	2,500	-	2,500	137	584	23%	-	1,917
Rent-Non State Owned Property	73,750	-	73,750	5,560	27,798	38%	-	45,952
Rent-Other	225	-	225	-	213	95%	-	12
Insurance-State	1,080	-	1,080	-	997	92%	-	83
Insurance-Non State	134	-	134	-	-	0%	-	134
Equipment Maintenance	1,000	-	1,000	-	-	0%	-	1,000
Total Fixed Charges	78,689	-	78,689	5,697	29,592	38%	-	49,097
Travel (Includes Leased Car)								
In State - Meals (Non-Reportable)	300	-	300	50	200	67%	-	100
In State - Lodging	500	-	500	167	565	113%	-	(65)
In State - Auto Mileage	600	-	600	-	167	28%	-	433
Reportable Meals	100	-	100	-	26	26%	-	74
Leased Car	250	-	250	-	-	0%	-	250
Total Travel	1,750	-	1,750	217	958	55%	-	792
Total Other Operating Expenditures	149,982	-	149,982	12,787	65,599	44%	-	84,383
Total Claims	\$ 455,982	\$ -	\$ 455,982	\$ 36,160	\$ 187,932	41%	\$ -	\$ 268,051

South Carolina Workers' Compensation Commission

2010 - 2011 Budget

November 30, 2010

Earmarked Funds

	Year-To-Date : 41.67%							
	Original Budget	Budget Amendments	Amended Budget	Expended November	Year to Date	%	Encumb	Balance
Insurance and Medical Services								
Salaries								
Classified Positions	\$ 383,000	\$ -	\$ 383,000	\$ 32,066	\$ 156,428	41%	\$ -	\$ 226,572
Temporary Employees	15,018	-	15,018	1,251	10,891	73%	-	4,127
Special Contractual Employee	4,635	-	4,635	-	-	0%	-	4,635
Total Salaries	402,653	-	402,653	33,317	167,319	42%	-	235,334
Other Operating Expenditures								
Contractual Services								
Office Equipment Service	200	-	200	-	-	0%	-	200
Copying Equipment Service	1,000	-	1,000	-	-	0%	-	1,000
Print/Bind/Advertisement	3,400	-	3,400	-	446	13%	-	2,954
Print Pub Annual Report	24	-	24	-	-	0%	-	24
Data Processing Services	24,864	-	24,864	3,501	16,582	67%	-	8,282
Telephone	2,626	-	2,626	270	1,053	40%	-	1,573
Other Professional Services	2,387	-	2,387	65	1,020	43%	-	1,367
Other Contractual Services	3,200	-	3,200	-	-	0%	-	3,200
Total Contractual Services	37,701	-	37,701	3,836	19,101	51%	-	18,600
Supplies & Materials								
Office Supplies	6,000	-	6,000	382	722	12%	-	5,278
Copying Equipment	3,000	-	3,000	391	1,291	43%	-	1,709
Printing	1,500	-	1,500	18	162	11%	-	1,338
Data Processing Supplies	1,000	-	1,000	-	-	0%	-	1,000
Postage	21,825	-	21,825	900	4,199	19%	-	17,626
Maintenance/Janitorial Supplies	75	-	75	48	96	129%	-	(21)
Other Supplies	100	-	100	-	-	0%	-	100
Total Supplies & Materials	33,500	-	33,500	1,739	6,470	19%	-	27,030
Fixed Charges								
Rental-Cont Rent Payment	2,104	-	2,104	253	896	43%	-	1,208
Rent-Non State Owned Property	56,400	-	56,400	3,924	19,622	35%	-	36,778
Rent-Other	225	-	225	-	213	95%	-	12
Insurance-State	1,101	-	1,101	-	1,018	92%	-	83
Insurance-Non State	148	-	148	-	-	0%	-	148
Equipment Maintenance	942	-	942	-	-	0%	-	942
Sales Tax Paid	1,300	-	1,300	144	1,935	149%	-	(635)
Total Fixed Charges	62,220	-	62,220	4,322	23,684	38%	-	38,536
Travel (Includes Leased Car)								
In State - Meals (Non-Reportable)	50	-	50	64	227	454%	-	(177)
Reportable Meals	50	-	50	-	28	56%	-	22
In State - Lodging	158	-	158	131	371	235%	-	(213)
Total Travel	258	-	258	195	626	243%	-	(368)
Total Other Operating Expenditures	133,679	-	133,679	10,092	49,881	37%	-	83,798
Total Insurance and Medical Services	\$ 536,332	\$ -	\$ 536,332	\$ 43,409	\$ 217,200	40%	\$ -	\$ 319,132

South Carolina Workers' Compensation Commission

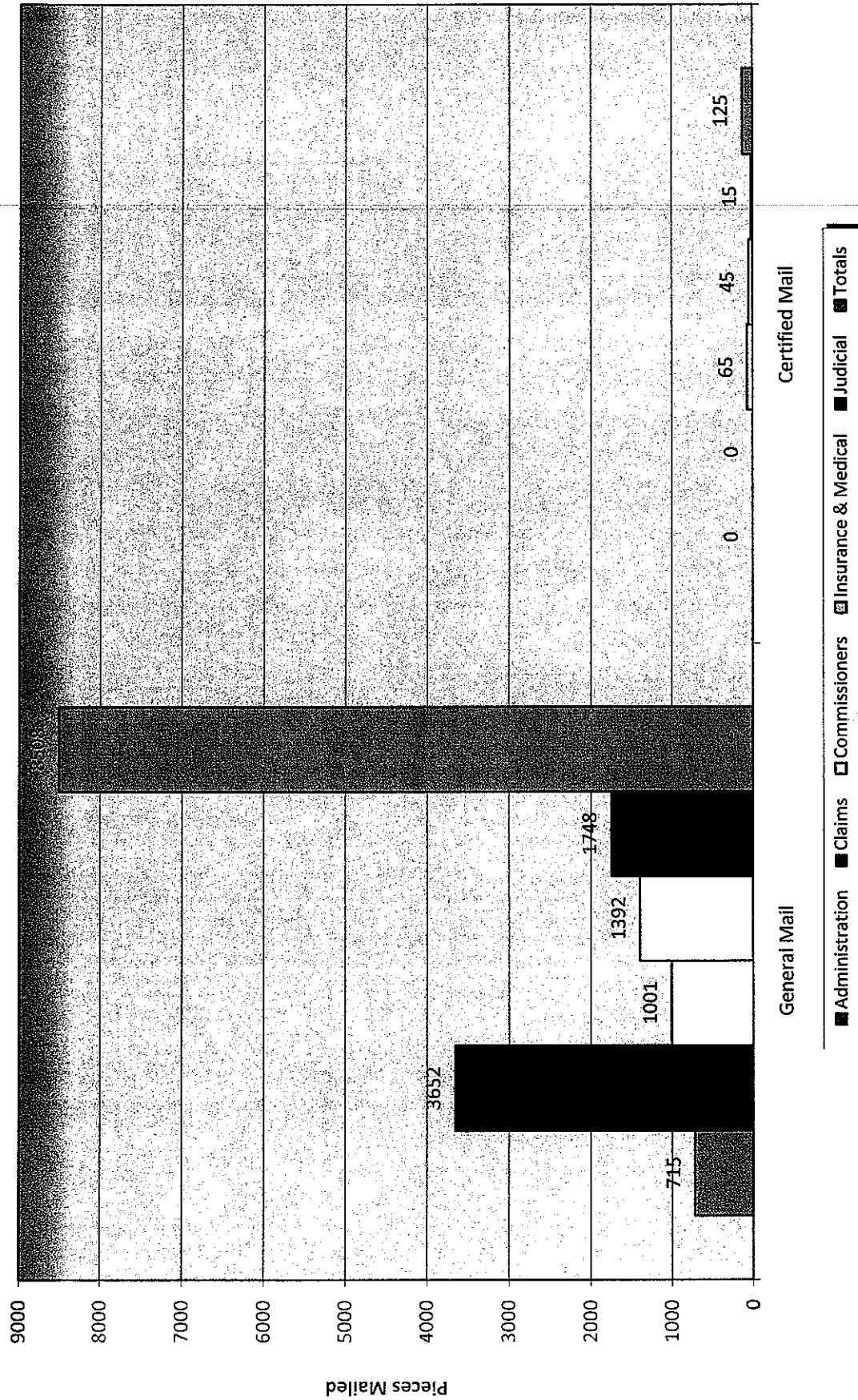
2010 - 2011 Budget

November 30, 2010

Earmarked Funds

	Year-To-Date : 41.67%							
	Original Budget	Budget Amendments	Amended Budget	Expended November	Year to Date	%	Encumb	Balance
Judicial								
Salaries								
Classified Positions	\$ 322,000	\$ -	\$ 322,000	\$ 26,765	\$ 133,631	42%	\$ -	\$ 188,369
Total Salaries	322,000	-	322,000	26,765	133,631	42%	-	188,369
Other Operating Expenditures								
Contractual Services								
Office Equipment Services	180	-	180	-	-	0%	-	180
Print/Bind/Advertisement	500	-	500	-	361	72%	-	139
Print Pub Annual Reports	20	-	20	-	-	0%	-	20
Data Processing Services	37,803	-	37,803	2,060	9,178	24%	-	28,625
Freight Express Delivery	150	-	150	-	-	0%	-	150
Telephone	3,000	-	3,000	237	851	28%	-	2,149
Cellular Phone Service	1,225	-	1,225	94	371	30%	-	854
Other Professional Services	200	-	200	-	-	0%	-	200
Total Contractual Services	43,078	-	43,078	2,391	10,761	25%	-	32,317
Supplies & Materials								
Office Supplies	4,775	-	4,775	449	1,021	21%	-	3,754
Copying Equipment Supplies	1,949	-	1,949	317	1,058	54%	-	891
Printing	2,500	-	2,500	14	47	2%	-	2,453
Data Processing Supplies	75	-	75	-	-	0%	-	75
Postage	12,580	-	12,580	841	4,786	38%	-	7,794
Maintenance/Janitorial Supplies	50	-	50	39	65	130%	-	(15)
Promotional Supplies	20	-	20	-	-	0%	-	20
Other Supplies	75	-	75	-	-	0%	-	75
Total Supplies & Materials	22,024	-	22,024	1,660	6,977	32%	-	15,047
Fixed Charges								
Rental-Cont Rent Payment	1,750	-	1,750	19	167	10%	-	1,583
Rent-Non State Owned Property	63,750	-	63,750	4,906	24,528	38%	-	39,222
Rent-Other	225	-	225	-	213	95%	-	12
Insurance-State	1,121	-	1,121	-	1,183	106%	-	(62)
Insurance-Non State	120	-	120	-	-	0%	-	120
Total Fixed Charges	66,966	-	66,966	4,925	26,091	39%	-	40,875
Travel (Includes Leased Car)								
In State - Meals / Non-Reportable	250	-	250	-	60	24%	-	190
Reportable Meals	100	-	100	13	105	105%	-	(5)
In State - Lodging	400	-	400	-	-	0%	-	400
In State - Auto Mileage	2,200	-	2,200	101	1,343	61%	-	857
In State - Misc Travel Expense	100	-	100	-	-	0%	-	100
Out State - Auto Mileage	300	-	300	-	-	0%	-	300
Total Travel	3,350	-	3,350	114	1,508	45%	-	1,842
Total Other Operating Expenditures	135,418	-	135,418	9,090	45,337	33%	-	90,081
Total Judicial	\$ 457,418	\$ -	\$ 457,418	\$ 35,855	\$ 178,968	39%	\$ -	\$ 278,450
Earmarked Funds								
Department Totals								
Commissioners	\$ 611,550	\$ -	\$ 611,550	\$ 35,015	\$ 192,266	31%	\$ -	\$ 419,284
Administration	682,533	-	682,533	55,379	250,708	37%	4,360	427,465
Claims	455,982	-	455,982	36,160	187,932	41%	-	268,051
Insurance & Medical	536,332	-	536,332	43,409	217,200	40%	-	319,132
Judicial	457,418	-	457,418	35,855	178,968	39%	-	278,450
Total Departmental Expend	\$ 2,743,815	\$ -	\$ 2,743,815	\$ 205,818	\$ 1,027,074	37%	\$ 4,360	\$ 1,712,381
Employer Contributions	375,000	-	375,000	31,036	183,370	49%	-	191,630
Total Earmarked Funds	\$ 3,118,815	\$ -	\$ 3,118,815	\$ 236,854	\$ 1,210,444	39%	\$ 4,360	\$ 1,904,011
Capital / Computer Project Carryforward	\$ 54,761	\$ -	\$ 54,761	\$ -	\$ 1,580	3%	\$ -	\$ 53,181

Mail Totals for November (General & Certified)



MEMORANDUM

Date: December 8, 2010

TO: Mr. Gary Cannon
Executive Director

FROM: Cathy Floyd
Human Resources

SUBJECT: Human Resource Report Period Ending November 30, 2010

Below is a summary of the Human Resource activity for the one month period ending November 30, 2010.

Recruitment and Selection

- Hired a temporary Human Resource Specialist for the month of November to work on Human Resource records management and compliance issues

Benefits

- Coverage changes for two employees
- Issued eleven COBRA Notices
- Enrolled an employee in SCRS
- Coordinated refund requests for two employees

Employee Relations (ER)

- Four ER issues were addressed during the month.
- The Employee Advisory Committee has continued work on updating the Administrative Policy and Procedures Manual.

State Office of Human Resources (OHR)

- Contacted OHR regarding six different issues

SC Enterprise Information System (SCEIS)

- Four employment verifications
- Thirteen transactions were keyed into the system

Training

- Coordinated a Stress Management Workshop for the Agency Wide Meeting

WCC IT Projects Status Report

Period	December	Status Key:	Not Started	Timing
--------	----------	-------------	-------------	--------

Projects							
#	Key Projects	Sub Project	Regulation	Due Date	% of completion	% of time devoted to issue	Lead
3	Phase II - Progress EDI/eCase	TPA's - attached to claim not carrier code modifications		November 2010			
	eCase Enhancements	Attorney add feature		November 2010			
3	Phase II - Claims EDI			December 2010			
4g	Electronic Service Initiatives	Electronic Service Initiatives Consent Orders	67-213	January 2011			Will begin after Consent orders
4h		Electronic Service Initiatives Clinchers	67-213	TBD	0%	0%	
4i		Electronic Service Initiatives Fee Petitions	67-213	TBD	0%	0%	
4j		Electronic Service Initiatives - Receipt of electronic pleadings	67-211	January 2012	0%	0%	
4k		Electronic receipt of any form or document	67-205	January 2012	0%	0%	
4l		12 M Revamp of current Minor Medical Reporting from Carriers	67-412	January 2012	0%	0%	
					Projects Amanda	90%	
					Projects Duane	50%	
					Projects Betsy	10%	
50%							

Maintenance					
Priority	Maintenance Issue	Project	Start date	Estimated completion	Status

WCC IT Projects Status Report

Period	December	Status Key:	Not Started	Timing
--------	----------	-------------	-------------	--------

Projects							
#	Key Projects	Sub Project	Regulation	Due Date	% of completion	% of time devoted to issue	Lead
2	NCCI issue relating to changes to key fields, such as EIN's has been identified by NCCI and has not been evaluated by WCC	EDI Coverage	August	ongoing		10%	Duane
3	Modification to F18 functions in Progress	Progress	June	tbd		0%	Duane
6	New report for tracking eService compliance	eService	tbd			0%	Duane
7	FOIA report requests, general issues and questions from Coverage, claims and Judicial	all departments	ongoing	ongoing		10%	Duane
8	FOIA report requests, general issues and questions from Coverage, claims and Judicial	all departments	ongoing	ongoing		30%	Duane
					Maintenance Duane	50%	
1	Add warning on closed file with Jar	Judicial				0%	
2	FOIA report requests, general issues and questions from Coverage, claims and Judicial	all departments	ongoing	ongoing		10%	Amanda
					Maintenance Amanda	10%	
3	Xfile Creation	Compliance	October	January 2011	25%	25%	Betsy
2	FOIA report requests, general issues and questions from Coverage, claims and Judicial	all departments	ongoing	ongoing		40%	Betsy
					Maintenance Betsy	65%	

50%

Administrative					
#	Project	Sub Project	Due Date	% of completion	% of time devoted to issue
2	PC Refresh for balance of staff	Refresh	TBD	15%	25%
3	Work Flow		TBD	0%	0%
5	IT Planning for FY 2011		10/31/2010		20%

Getting quotes for server refresh

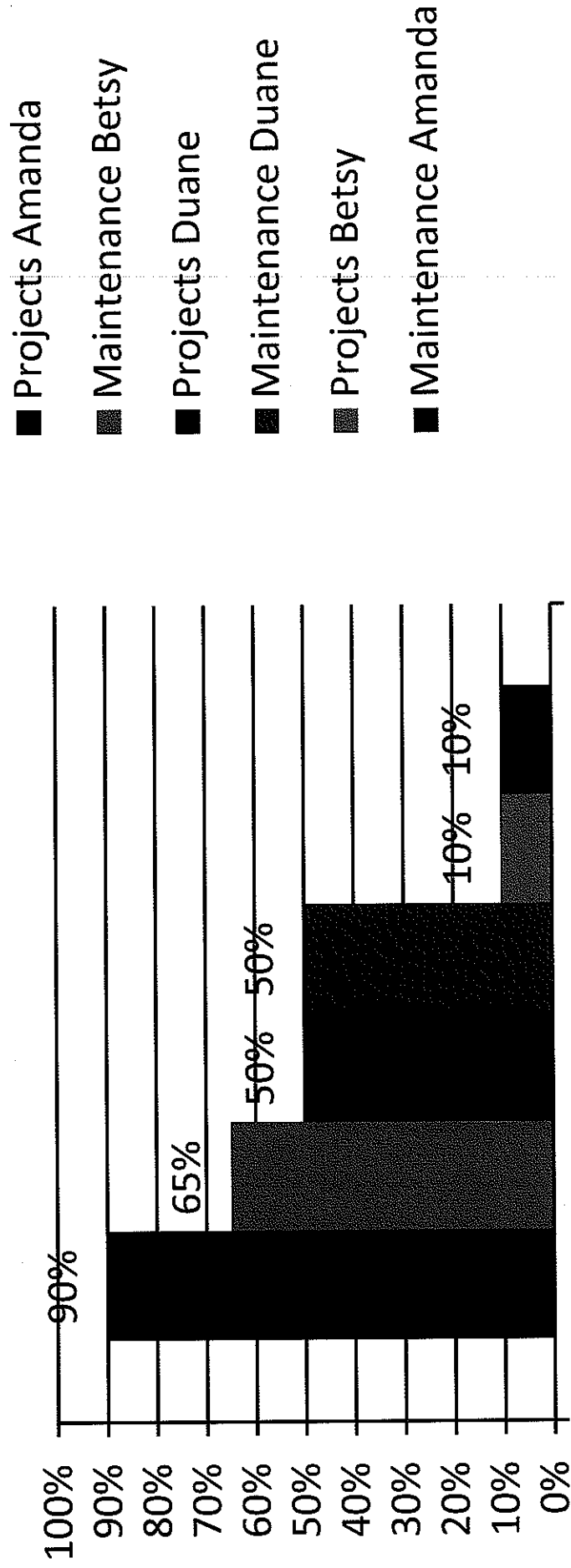
Getting quotes for Dell and HP's

Assigned to Betsy

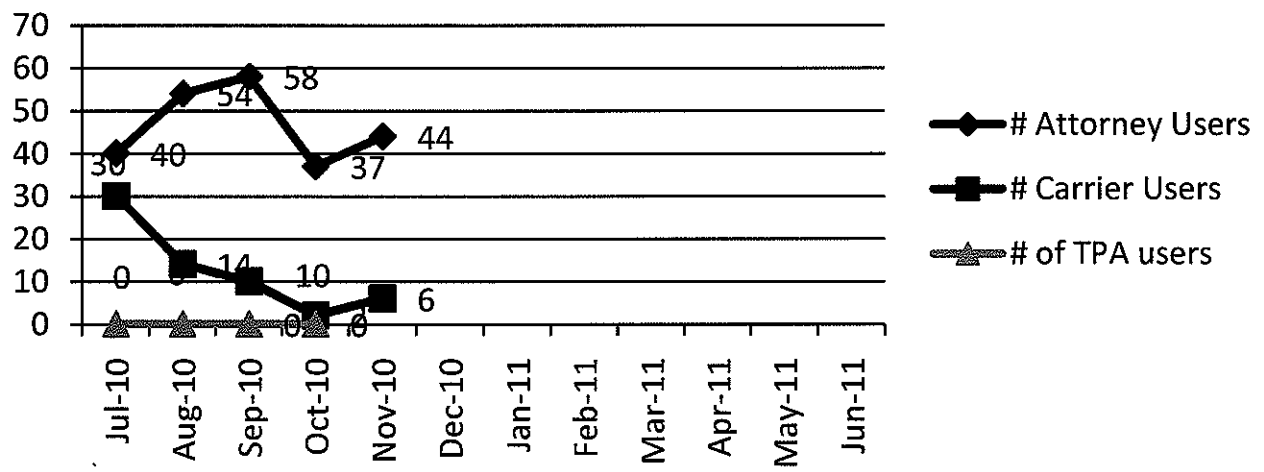
Assigned to Gary/Betsy

Assigned to IT Staff & Gary

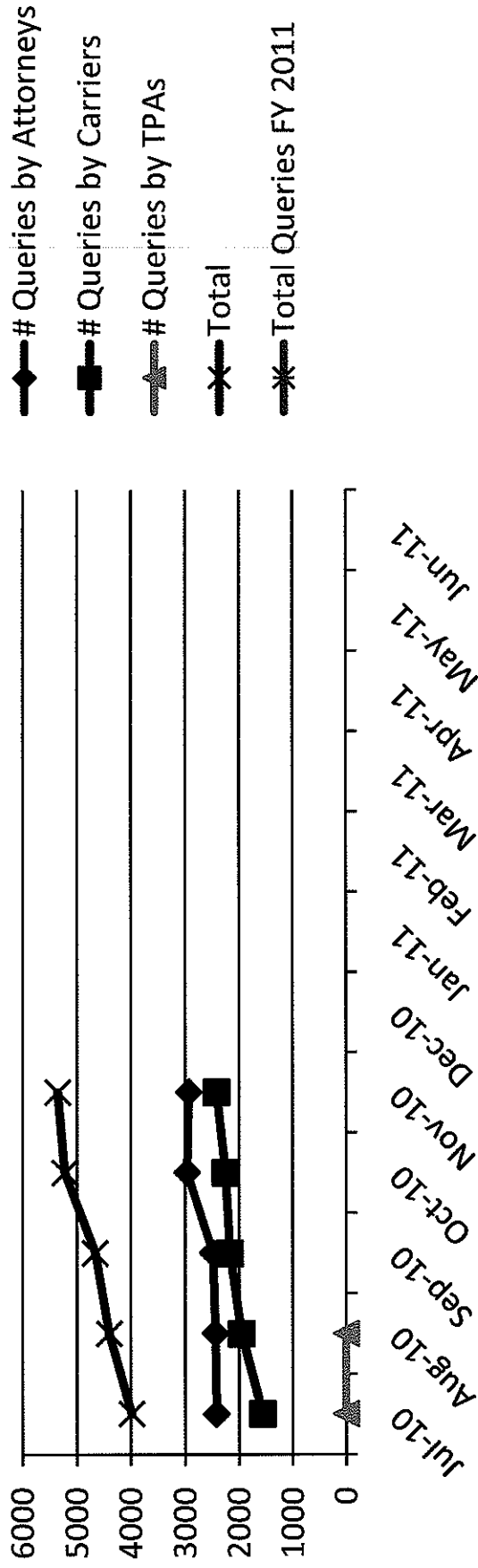
IT Projects and Maintenance December 2010



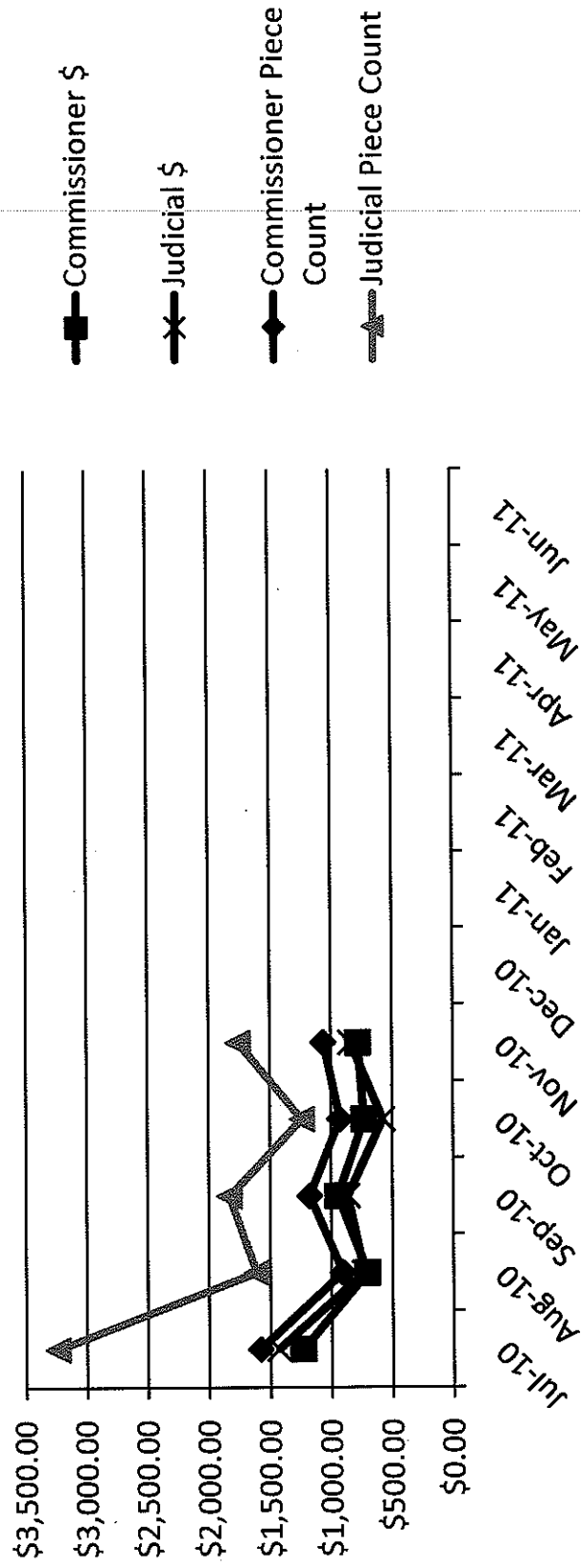
eCase Users by Type and Date Added



eCase Queries By Month and Type of User



Mail Cost and Piece Count for Commissioners and Judicial



Department of Insurance & Medical Services
South Carolina Workers' Compensation Commission
December 2010 Monthly Report

	July	August	September	October	November	December	January	February	March	April	May	June	2010-2011
SELF INSURANCE													
New Self-Insurers Approved	11	6	14	7	8								46
Self Insurance Tax Collected	\$35,282	\$147,818	\$1,647,285	\$16,989	\$33,269								\$1,880,643
COMPLIANCE													
Cases Active at Beginning of Period	422	600	754	672	768								
Cases Initiated	203	203	140	152	148								846
Cases Closed	25	49	222	56	32								384
Cases Active at End of Period	600	754	672	768	884								
Total Fines Assessed	\$49,965	\$63,553	\$112,292	\$105,730	\$49,740								\$381,280
- Employer wage / coverage screening	\$30,050	\$23,715	\$25,140	\$61,265	\$27,000								\$167,170
- Underlying claim / uninsured employ	\$19,915	\$36,188	\$87,152	\$44,365	\$22,740								\$210,360
- Random Investigation	\$0	\$3,650	\$0	\$100	\$0								\$3,750
Total Fines Collected	\$15,975	\$20,704	\$27,075	\$51,739	\$22,068								\$137,561
- Employer wage / coverage screening	\$14,175	\$13,634	\$17,435	\$20,375	\$15,625								\$81,244
- Underlying claim / uninsured employ	\$1,800	\$7,070	\$9,640	\$31,264	\$6,443								\$56,217
- Random Investigation	\$0	\$0	\$0	\$100	\$0								\$100
Fines Waived/Rescinded/Uncollectable	\$25,770	\$77,180	\$43,411	\$38,949	\$45,874								\$231,184
- Waived	\$8,370	\$13,775	\$5,520	\$0	\$1,500								\$29,165
- Rescinded	\$17,400	\$63,405	\$37,891	\$38,949	\$44,374								\$202,019
- Uncollectable	\$0	\$0	\$0	\$0	\$0								\$0
COVERAGE & ACCIDENT RPTG													
Employers Withdrawing From the Act	1	1	3	2	1								8
Coverage Fines Assessed	\$18,400	\$19,600	\$4,400	\$7,800	\$13,200								\$63,400
Coverage Fines Collected	\$67,795	\$21,600	\$18,500	\$10,600	\$12,240								\$130,735
Coverage Fines Waived	\$1,000	\$2,400	\$1,604	\$13,360	\$1,600								\$19,964
Number of 12As Filed EDI	1,762	1,747	1,689	1,554	1,601								8,353
Number of 12As Filed Manually	336	458	376	386	394								1,950
Total Number of WCC Files Created	2,098	2,205	2,065	1,940	1,995								10,303
Number of Fatalities Filed on 12As	7	9	4	8	3								31
MEDICAL SERVICES													
Bills Pending at Beginning of Period	76	93	59	42	61								432
Bills Received	83	90	85	107	67								508
Bills Reviewed this Month	66	124	102	88	128								
Bills Pending at End of Period	93	59	42	61	75								

TO: Gary M. Cannon, Executive Director

FROM: Al McCutcheon

DATE: December 8, 2010

RE: Outstanding Fines Status

The following is the requested status of outstanding fines in the Compliance and Coverage Divisions of the Insurance and Medical Services Department:

Compliance

There are two categories for Compliance fines: cases with underlying claims; and cases without underlying claims. Cases with underlying claims are those cases in which a claim has been filed but there is no record of the employer having coverage. Cases with no underlying claims are the cases where employers are discovered to have no coverage through the search of the Employment Security Commission records or a random coverage check.

The procedure for collection of fines is as follows:

1. Employers suspected of not having insurance are sent a letter requesting verification they have coverage and are given 14 days to respond. Failure to respond and to immediately acquire insurance will result in fines being assessed at \$1.00 per day for each employee, a minimum of \$10.00 per day and a maximum of \$100.00 per day.

Eighteen violation letters were issued during the month of November.

2. For cases without an underlying claim, if the employer immediately comes into compliance after the initial notification, the assessed fine is \$750 for 10 or less employees and \$1,000 for 11-20 employees.

Twenty-two compliance agreements were received during the month of November.

3. If there is no response and we can prove the employer is subject to the Workers' Compensation Act, the Compliance Division subpoenas the employer to an Order and Rule to Show Cause hearing. These hearings are scheduled every 30 days.

Six subpoenas were issued in November. The next Order and Rule to Show Cause hearing is scheduled for December 17, 2010.

4. Along with the subpoena, the employer is provided a letter offering the opportunity to settle in lieu of attending the hearing. However, if the employer does not settle, and the employer is found to be subject to the Act at the hearing, an order is issued finding the employer in violation of the Act. In most instances, the order stipulates maximum fines and penalties. Orders are issued within 30 days after the hearing.

Eight orders resulting from the October 21, 2010 Order and Rule to Show Cause hearing was published in November.

5. If there is no response to the order, a civil judgment is filed within 45 days.

No civil judgments were filed during the month of October.

6. Further contact with the employer (telephone and letter) is attempted by the Director of Compliance. If the employer remains willfully uninsured, the Director of Compliance files a criminal complaint with the jurisdictional magistrate. This new procedure for the Department has yet to be finalized with legal counsel.

Coverage

There are two types of fines assessed on carriers by the Coverage Division:

- A. Late filing for policies not received within 30 days of the policies' effective date.
- B. 12M Minor Medical Fines

In January - March 2010, approximately 200 carriers were sent a final notice on fines over 90 days old. Carriers were advised that failure to pay outstanding fines would result in a subpoena being issued requiring attendance at an Order and Rule to Show Cause Hearing. Initially, these carriers owed \$207,375 in fines over 90 days old. This total was reduced to \$24,906.33 as of December 3, 2010.

TO: GARY CANNON, EXECUTIVE DIRECTOR
FROM: GREGORY S. LINE, DIRECTOR OF CLAIMS
SUBJECT: CLAIMS REPORT FOR THE MONTH OF NOVEMBER
DATE: 12/7/2010

Fines assessed for the month of November 2010:

- We assessed **715** fines for the month which was up from assessing **560** fines for the month of October.
- The dollar amount of the fines assessed for the month was **\$150,000** which was up from assessing **\$114,800** for the month of October

Fines received for the month of November 2010:

- We received payment on **649** fines for the month which was up from receiving **599** fines for the month of October.
- The dollar amount of fines received for the month was **\$128,000** which was up from receiving **\$120,300** for the month of October.

The fines have gone down since July 2010 because it appears the carriers are filing the Form 18's in a more timely fashion –

- July assessed **1,195** fines
- August assessed **699** fines
- September **839** fines
- October **560** fines
- November **715** fines

I would expect the fines for Form 18's to continue to decline as the carriers get better at filing them timely.

STATISTICS FOR FISCAL YEAR 2010-2011

Prepared Dec 6, 2010

II. Fines Assessed by Claims Department

[illegible]

CLAIMS DEPARTMENT REPORT													
STATISTICS FOR FISCAL YEAR 2010-2011													
Prepared Dec 6, 2010													
I. Claims Services Division													
	July	August	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	Total
Forms 15 for TT/TF	2,205	2,244	2,349	2,188	2,123								11,109
Forms 16 for PP/DI	314	508	399	323	227								1,771
Forms 18	6,013	6,130	5,913	5,219	5,223								28,498
Forms 20	1,113	1,162	1,304	963	1,073								5,615
Form 50 Claims Or	276	283	339	285	338								1,521
Form 61	663	775	713	673	787								3,611
Letters of Rep	117	380	336	324	326								1,483
Clinchers	708	893	824	753	767								3,945
Third Party Settle	11	29	25	18	27								110
SSA Requests for	102	150	152	118	121								643
Cases Closed	2,268	2,508	2,914	2,206	2,249								12,145
Cases Reviewed	1,489	1,289	1,026	1,571	1,609								6,984

Fines Collected Years 2007, 2008, 2009, 2010												
	Jan	Feb	March	April	May	June	July	August	Sept	Oct	Nov	Dec
2007	21,620	34,891	36,520	35,339	45,785	36,760	46,555	68,018	49,261	58,934	45,203	40,261
2008	48,613	38,805	45,167	34,710	40,525	79,055	67,769	51,195	65,230	59,817	37,309	39,583
2009	37,080	44,750	35,960	49,842	93,182	65,351	100,383	119,853	100,026	66,565	61,627	54,390
2010	66,200	103,600	203,410	159,375	218,150	86,500	147,025	144,825	119,325	120,300	128,000	

*May collected figures include payments 5/1/2010 through 6/11/2010

** June collected figure includes payments 6/12/2010 through 6/30/2010***

Fine Report for May, June, July, August, September, October & November 2010

	May	June	July	Aug	Sept	Oct	Nov
Amt assess	\$250,400	175,950	\$245,850	\$147,800	\$170,800	\$114,800	\$150,000
# fines assess	1,246	842	1,195	699	839	560	715
Amt coll	\$218,150	\$86,500	\$147,025	\$144,825	\$119,325	\$120,300	\$128,000
Fines coll	1,081	407	742	722	580	599	649

Form 18's

Fines assess
Daily \$206,400 \$131,4200 \$179,400 \$85,600 \$109,600 \$80,200 \$111,800

Fines assessed
file review \$ 9,600 \$13,800 \$8,600 \$11,800 \$14,600 \$6,000 \$ 9,000

Total amount
Assessed \$216,000 \$145,200 \$188,000 \$97,400 \$124,200 \$86,200 120,800

fines assess daily 1,053 772 896 428 548 397 554

fines assess
file review 16 70 8 12 64 20 7

Total fines assessed ,069 842 904 440 612 417 561

Amt coll \$185,900 \$145,200 \$113,500 \$110,500 \$90,800 \$91,500 \$ 101,350

coll 894 686 561 539 429 449 506

All other fines assessed

(Form 12-A, Form 15, Form 17, Form 19, denial letter, Form 20, failure to respond)

Amt assess \$33,000 \$30,750 \$57,850 \$50,400 \$46,600 \$34,600 \$ 29,200

fines assess 177 156 291 259 227 170 154

Amt paid \$32,250 \$15,000 \$33,525 \$34,325 \$28,525 \$28,800 \$26,650

coll 187 84 181 183 153 150 143

Figures collected for May are through June 11

Figures collected for June are from June 12 through June 30

TO: Gary M. Cannon, Executive Director

FROM: Gregory S. Line
Director of Claims

DATE: December 7, 2010

RE: Claims
Outstanding fine status

Below is a list of eleven carriers that were sent a Second and Final Notice of fines Assessment on January 4, 2010.

1. Travelers Casualty & Ins. Co.
 - a. Beginning bal \$ 13,172.66
 - b. Bal as of 12/06/10 \$ 1,600.00
2. State Farm First & Casualty
 - a. Beginning bal \$ 4,000.00
 - b. Bal as of 12/06/10 \$ 600.00
3. Valley Forge Ins. Co.
 - a. Beginning bal \$ 300.00
 - b. Bal as of 12/06/10 \$ 100.00
4. Sentry Select Ins. Co.
 - a. Beginning bal \$ 510.00
 - b. Bal as of 12/06/10 \$ 510.00
5. Sentry Insurance A Mutual Co.
 - a. Beginning bal \$ 7,025.00
 - b. Bal as of 10/30/10 \$ 200.00
6. American States Ins. Co.
 - a. Beginning bal \$ 1,295.00
 - b. Bal as of 12/06/10 \$ 895.00
7. PA Manufacturers Assn. Ins. Co.
 - a. Beginning bal \$ 800.00
 - b. Bal as of 12/06/10 \$ 200.00
8. Farmington Casualty Co.
 - a. Beginning bal \$ 1,200.00
 - b. Bal as of 12/06/10 \$ 400.00
9. Midwest Employers Casualty Co.
 - a. Beginning bal \$ 900.00
 - b. Bal as of 12/06/10 \$ 700.00
10. Rollins, Inc.
 - a. Beginning bal \$ 500.00
 - b. Bal as of 12/06/10 \$ 500.00
11. Premier Group Ins. Co.
 - a. Beginning bal \$ 900.00
 - b. Bal as of 12/06/10 \$ 200.00

TO: Gary M. Cannon, Executive

FROM: Gregory S. Line
Director of Claims

DATE: December 7, 2010

RE: Claims
Outstanding Fines Status

Below is a list of three carriers that were sent a Second and Final Notice of fines Assessment on October 30, 2009

1. Chubb Indemnity Ins. Co.
 - a. Beginning bal \$ 2,086.33
 - b. Bal as of 12/06/10 \$ **1,000.00**
2. Peerless Ins. Co.
 - a. Beginning bal \$ 3,900.00
 - b. Bal as of 12/06/10 \$ **200.00**
3. OneBeacon Ins. Co.
 - a. Beginning bal \$ 3,000.00
 - b. Bal as of 12/06/10 \$ **900.00**

TO: Gary M. Cannon, Executive Director
FROM: Gregory S. Line
DATE: December 7, 2010
RE: Claims
Outstanding Fines Status

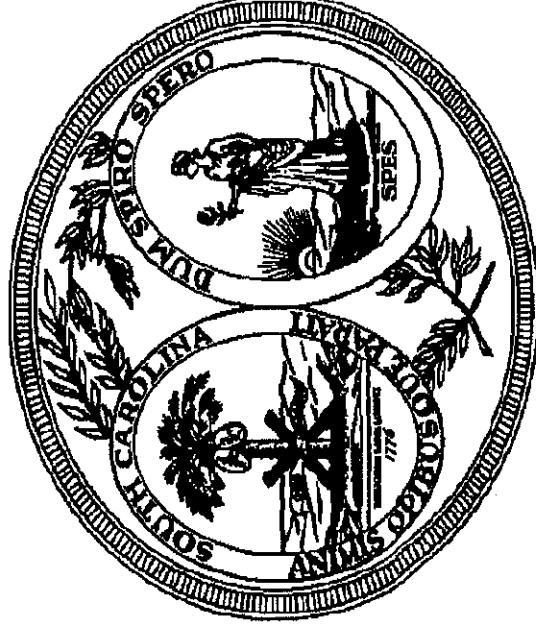
Below is the status of the six groups of carriers with 6 companies that were sent a Second and Final Notice of fines Assessment on July 24, 2009.

1. Insurance Company of North America
 - a. Beginning bal \$ 28,580
 - b. Bal as of 12/06/10 \$ 200
2. AIG
 - a. Beginning bal \$ 56,431
 - b. Bal as of 12/06/10 \$ 2,800
3. Federal Insurance Company
 - a. Beginning bal \$ 4,500
 - b. Bal as of 12/06/10 \$ 600
4. Liberty Mutual Group
 - a. Beginning bal \$ 22,750
 - b. Bal as of 12/06/10 \$ 200
5. Travelers Property & Casualty Company
 - a. Beginning Bal \$ 4,160
 - b. Bal as of 12/06/10 \$ 200
- 6.. American Casualty Co. of Rdg PA
 - a. Beginning Bal \$ 5,160
 - b. Bal as of 12/06/10 \$ 100

The dollar amount of fines assessed for each form, for the month of June, and fines collected for each form from November 1, 2010 through November 30, 2010
The number of fines assessed and collected, for each form, are in parenthesis.

	<u>Assessed</u>	<u>Collected</u>
Form 12A -	\$ 18,400.00 (102)	\$ 12,500.00 (66)
Form 15 Section I -	\$ 4,800.00 (20)	\$ 4,600.00 (23)
Form 15 Section II -	\$ 2,800.00 (14)	\$ 2,200.00 (11)
Form 15 S -	\$ 1,000.00 (5)	\$ 400.00 (2)
Form 17 -	\$ 100.00 (1)	\$ 300.00 (2)
Form 18 -	\$ 120,800.00 (561)	\$ 101,350.00 (506)
Form 19 -	\$ 100.00 (2)	\$ 50.00 (1)
Denial letter -	\$ 1,000.00 (5)	\$ 1,200.00 (6)
Failure to respond -	\$ 1,000.00 (5)	\$ 4,300.00 (23)
Failure to pay Orig fine	0	\$ 100.00 (1)
Form 20	0	\$ 900.00 (7)
Form 51	0	\$ 100.00 (1)
 TOTAL -	 \$ 150,000 (715)	 \$ 128,000 (649)

SCWCC Judicial Report



December 2010

Judicial Report

[illegible]

Pleadings Assigned

Month	District 1	District 2	District 3	District 4	District 5	District 6	District 7
Jul-10	93	111	118	169	146	114	140
Aug-10	121	106	113	193	138	109	132
Sep-10	111	85	105	130	115	103	163
Oct-10	99	76	84	157	117	83	130
Nov-10	97	50	122	140	99	98	151
Dec-10							
Jan-11							
Feb-11							
Mar-11							
Apr-11							
May-11							
Jun-11							
Totals	521	428	542	789	615	507	716
FY 2010-2011							

Informal Conference & Mediations

Staff	Mileage/Hours	2010												Total
		Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	
Staff 1	Greg	SVM	368.00	332.00	205.00	701.00	25.00							1631.00
		PVM	213.00	0.00	172.00	0.00	605.00							990.00
		Time	43.00	47.00	69.50	48.00	61.00							268.50
		Hotel	0.00	115.06	214.67	110.00	0.00							439.73
Staff 2	Ginger	SVM	162.00	262.00	0.00	0.00	233.00							657.00
		PVM	501.00	320.00	776.00	232.00	200.00							2029.00
		Time	35.00	51.00	59.00	20.00	26.00							191.00
		Hotel	0.00	0.00	0.00	0.00	0.00							0.00
Mediations		SVM	0.00	0.00	0.00	0.00	0.00							0.00
		PVM	116.00	0.00	0.00	266.00	0.00							382.00
		Time	33.00	0.00	0.00	13.00	0.00							46.00
		Hotel	0.00	0.00	0.00	0.00	0.00							0.00
Staff 3	John	SVM	192.00	456.00	339.00	0.00	0.00							987.00
	Vivian	PVM	4.00	0.00	0.00	0.00	0.00							4.00
		Time	16.75	49.00	24.15	26.50	0.00							116.40
		Hotel	0.00	155.26	0.00	110.00	0.00							265.26
Staff 4	Garry	SVM	130.00	182.00	163.00	460.00	746.00							1681.00
		PVM	0.00	0.00	0.00	0.00	0.00							0.00
		Time	4.00	24.00	48.45	61.50	128.00							265.95
		Hotel	0.00	0.00	198.00	65.00	164.25							427.25
Staff 5	Kelly	SVM	0.00	0.00	0.00	0.00	0.00							0.00
		PVM	45.00	92.60	92.60	220.00	0.00							450.20
		Time	20.45	34.45	25.50	12.00	13.50							105.90
		Hotel	0.00	0.00	0.00	0.00	0.00							0.00
Staff 6	Robin	SVM	0.00	0.00	0.00	0.00	0.00							0.00
		PVM	0.00	0.00	0.00	0.00	0.00							0.00
		Time	0.00	21.00	25.50	0.00	13.50							60.00
		Hotel	0.00	0.00	0.00	0.00	0.00							0.00

Totals FY 2010-2011	
SVM = State Vehicle Miles	4956.00
PVM = Personal Vehicle Miles	3855.20
T = Time	1053.75
H = Hotel Cost	1132.24

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Workers' Compensation Commission

Executive Director's Report December 13, 2010

Fines and Assessments Aging Report

The attached Fines and Assessments Aging Report reflects the number and amount of fines assessed for the period ending November 30, 2010.

Employee Meetings

The agency All Employee Meeting was held on November 18.

Four employees participated in the employee focus group with the Executive Director on December 1.

Executive Staff met on November 23.

Constituent Services/Public Information

Since the last Commission meeting the Executive Director's Office had 268 communications with various system constituents. These contacts included telephone communications; electronic contacts with claimants or constituents, state agencies, federal agencies; attorneys, service providers, and business partners; and letters with congressional offices.

Joint Other Funds Oversight Committee

The Other Funds Joint Oversight Committee met on Nov 30, 2010. The committee voted to review the "Other Funds" budgets of the DNR, LLR and the Department of Insurance.

Regulation Change 67-405

The Public Hearing to receive comment on the proposed change to Regulation 67-405 was conducted on November 29 at 10:00 AM. Three individuals addressed the Commissioners and provided comments on the proposed changes. As provided in Section 1-23-111 the Chairman has 20 working days from the date of the public hearing, or until December 30, to issue a written report which will include the findings as to the need and reasonableness of the proposed regulation. The report may include other factors and suggested modifications in the case of finding a lack of need or reasonableness. If the Chairman determines the need for reasonableness of the proposed regulation has not been

established, the agency shall elect to modify the proposed regulations, not modify the proposed regulations and submit them to the General Assembly, or terminate the promulgation process by publication of a notice in the State Register.

Assessments – Form 18

At the December 14, 2009 Business Meeting staff recommended changing the process of assessing and collecting fines for Form 18s from bi-monthly to daily beginning in January 2010 through June 20, 2010. This required employing temporary personnel in order to process the increase in assessments and collections at a projected expense of \$15,000. We projected an increase in the number of fines assessed by an average of 745 per month and an increase in the revenues of \$452,400 for the six month period for a net increase of \$437,500.

Commissioner Huffstetler requested a report on the results of those efforts. The temporary staff was employed from February 8, 2010 to June 30, 2010 at an expense of \$6,545. For the same five month period we increased the number of fines assessed by 1,128 and increased the amount collected by \$422,247. The net increase in revenues for the five month period was \$415,702 or \$21,798 less than the projected amount for the six month period.

Fines and Assessment Analysis
September 1, 2009 - June 30, 2010
(Form 18, 17, 15 & 12A)

Line	A	B	C	D	E
					%
		Sept 2009 to Jan 2010	Feb 2010 to June 2010	Increase/ (decrease)	Increase/ (decrease)
1	Number Assessed	1,377	7,019	5,642	410%
2	Avg per month	275	1,404	1,129	410%
3	Amount Assessed	\$ 366,700	\$ 1,470,300	\$ 1,103,600	301%
4	Avg per month	\$ 73,340	\$ 294,060	\$ 220,720	301%
5	Collected	\$ 348,788	\$ 771,035	\$ 422,247	121%
6	Avg per month	\$ 69,758	\$ 154,207	\$ 84,449	121%
7	Rescinded	\$ 76,600	\$ 250,495	\$ 173,895	227%

Fines and Assessments Aging Report
Monthly Totals

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12/1/2010

Summary All Depts.

	July	August	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June
Total	\$1,489,356	\$1,398,959	\$1,476,516	\$1,418,489	\$1,416,701							
Count	4,982	4,684	4,686	4,460	4,557							
> 91 Days	\$922,663	\$958,379	\$1,036,625	\$1,029,732	\$1,028,054							
Count	2,706	2,991	3,111	3,200	3,116							
61-90 Days	\$113,563	\$111,665	\$91,009	\$95,493	\$90,455							
Count	552	431	417	256	331							
31-60 Days	\$210,132	\$140,749	\$126,743	\$119,771	\$93,672							
Count	687	599	386	450	320							
< 30 days	\$240,942	\$188,166	\$222,139	\$173,493	\$204,520							
Count	1,037	663	772	554	790							
Of Fines Over 90 Days Old												
Orders	\$5,310	\$4,785	\$4,685	\$3,785	\$3,285							
Count	31	25	24	19	17							
Judgments	\$201,174	\$201,174	\$201,174	\$94,248	\$200,714							
Count	537	537	537	483	534							

Claims	July	August	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June
Division Total	\$936,013	\$879,038	\$896,763	\$844,993	\$871,303							
Count	4,512	4,231	4,319	4,095	4,174							
> 91 Days	\$517,963	\$567,113	\$588,563	\$610,393	\$597,403							
Count	2519	2768	2863	2959	2874							
61-90 Days	\$100,350	\$76,950	\$83,050	\$49,050	\$65,500							
Count	487	367	397	227	319							
31-60 Days	\$121,200	\$115,775	\$76,850	\$86,900	\$57,500							
Count	567	554	344	429	279							
< 30 days	\$196,500	\$119,200	\$147,300	\$98,650	\$150,900							
Count	939	542	715	480	702							
Of Fines Over 90 Days Old												
Orders	\$5,310	\$4,785	\$4,685	\$3,785	\$3,285							
Count	31	25	24	19	17							
Judgments	\$94,468	\$94,468	\$94,468	\$94,248	\$94,008							
Count	484	484	484	483	481							

Compliance	July	August	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June
Division Total	\$471,195	\$435,738	\$478,294	\$488,181	\$468,853							
Count	135	127	137	148	144							
> 91 Days	\$382,785	\$359,495	\$365,865	\$355,525	\$377,495							
Count	111	108	110	110	114							
61-90 Days	\$370	\$16,940	\$4,400	\$38,588	\$23,448							
Count	1	4	2	7	4							
31-60 Days	\$64,675	\$16,715	\$39,588	\$30,178	\$29,150							
Count	12	6	7	7	11							
< 30 days	\$23,365	\$42,588	\$68,441	\$63,890	\$38,760							
Count	11	9	18	24	15							
Of Fines Over 90 Days Old												
Orders												
Count												
Judgments	\$106,706	\$106,706	\$106,706	\$106,706	\$106,706							
Count	53	53	53	53	53							

TO: Gary M. Cannon, Executive Director

FROM: Al McCutcheon

DATE: December 8, 2010

RE: Proposed Work Plan for Study of Implant Carve-Outs

At the November 15, 2010 meeting of the Full Commission, staff was asked to prepare a plan for study of implant carve-outs. Attached is a proposed work plan.

Please advise if additional information is needed.

Proposed Work Plan for Study of Implant Carve-Outs

December 8, 2010

Identification of resources and collection of data

- Medicare
- NCCI
- Budget and Control Board Office of Statistics
- Carrier and hospital data
- SC Medical Association and SC Hospital Association
- State Health Plan
- Survey of other states
- Stakeholder comments from July 22, 2009 public hearing
- RAND Institute study "*Payments for Hardware Used in Complex Spinal Procedures under California's Official Medical Fee Schedule for Injured Workers*". 2005
- RAND Institute study "*Inpatient Hospital Services: An Update on Services Provided Under California's Workers Compensation Program*". 2009
- Initial implant research by Gary Thibault
- WCC Medical Consultant Dr. David Adcock

Proposed methodology for the financial impact analysis

- Collect utilization and payment data from carriers, hospitals, and Budget and Control Board Office of Statistics
- Develop a pro forma financial analysis similar to that used for analysis of payment methods for the Medical Services Provider Manual to show current system costs without implant carve-outs vs. several options for carve-outs

Process for receiving stakeholder review and comments

- Stakeholders were given an opportunity to comment both in writing and at a public hearing held on July 22, 2009
- Upon completion of a draft proposal in April 2011, a second opportunity for comment will be granted to stakeholders with a public hearing to be held in May 2011

Schedule for completion

See attachment.

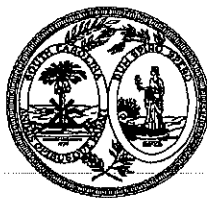
Proposed Work Plan for Study of Implant Carve-Outs

December 8, 2010

<u>Completion</u>	<u>Task</u>
February 28, 2011	Collect policy, utilization and payment data
March 31, 2011	Analysis of financial impact
April 18, 2011	Draft proposal to Commission
May 31, 2011	Stakeholder review, comments, and public hearing
June 20, 2011	Final proposal to Commission

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Workers' Compensation Commission

MEMORANDUM

TO: Worker's Compensation Commissioners
FROM: Gary M. Cannon
DATE: December 9, 2010
RE: Informal Conference Cost Assessment

At the time the December 13, 2010 Full Commission meeting agenda was published, the final calculations for the Informal Conference cost assessment were not completed.

Therefore I respectfully request this matter be carried over until the next business meeting.

Thank you.

GMC:khh